

DEPARTMENT OF FOOD AND AGRICULTURE



Division of Measurement Standards
8500 Fruitridge Road
Sacramento, California 95826-4808

DMS NOTICE
QC - 03 - 2

March 13, 2003

Discard: Retain

TO WEIGHTS AND MEASURES OFFICIALS

SUBJECT: Statewide Automated Checkstand (Scanner) Survey

The 2002 statewide scanner survey was completed in December. This was a follow-up to prior surveys and allows us to evaluate the changes in compliance conditions that have occurred over the previous years. Continued interest and participation by county jurisdictions in this survey is very much appreciated.

Survey results indicate that of 14,763 items purchased, 2.38% were overcharged and 1.46% were undercharged (see Table 1). An aggregate algebraic overcharge amounted to 0.03% of the dollars spent (see Table 2). Of the 494 stores inspected, 58.7% had no overcharges. This is a slight reduction in compliance from prior surveys (see Table 3). All three levels of non-compliance show an increase in the number of stores with overcharge violations when compared to the 2000 survey.

The attachment outlines survey criteria and displays the results, by type of store, along with a comparison to the results of the last five surveys.

Please review the attached report and contact Ken Lake, Program Supervisor, Measurement Compliance, at (916) 229-3047 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Cleary", with a stylized flourish at the end.

Mike Cleary
Director
(916) 229-3000

Attachments

DIVISION OF MEASUREMENT STANDARDS
STATEWIDE AUTOMATED CHECKSTAND (SCANNER) SURVEY

A statewide survey of establishments using automated pricing (scanner) systems was conducted throughout the state during November and December of 2002.

Scope of Survey

Establishments surveyed included both food and nonfood retail stores with centralized checkstands using a device to scan a code or a coded entry to determine sales price.

Sample Selection

Five hundred (500) establishments were selected at random from a statewide population of approximately 19,000 establishments.

Inspection Procedure

Thirty (30) items were randomly selected from each establishment. Approximately half of the items selected were sale items, price reduced or "special buys", including manufacturers' reduced price items, in-store specials or markdowns. After selecting the sample, the items were run through the automated pricing system (scanner) and the prices charged for the items were compared with the advertised, quoted, posted or marked prices. If the price charged for an item was more than the lowest of the advertised, quoted, posted or marked price, it was determined that an overcharge existed. If the price charged was less than the lowest of the advertised, quoted, posted or marked price, it was determined that an undercharge existed. If the price charged equaled the lowest of the advertised, quoted, posted or marked price, it was determined that no error existed.

Survey Results

The following tables summarize the survey results in comparison to the 1992, 1994, 1996, 1998, and 2000 surveys. These results may be useful for county weights and measures officials in determining which areas of the marketplace to focus enforcement activity.

TABLE 1

TYPE OF STORE		NUMBER OF ITEMS INSPECTED	OVERCHARGES		UNDERCHARGES	
			Number of Items	% of Items	Number of Items	% of Items
Food	2002	4050	106	2.62	30	0.74
	2000	5607	99	1.77	59	1.05
	1998	4955	104	2.10	57	1.15
	1996	3816	77	2.02	49	1.28
	1994	3210	44	1.37	29	0.90
	1992	4741	100	2.11	49	1.03
Auto	2002	1469	41	2.79	22	1.50
	2000	1256	24	1.91	39	3.11
	1998	1594	29	1.82	25	1.57
	1996	990	22	2.22	10	1.01
	1994	1230	37	3.01	19	1.54
	1992	780	33	4.23	34	4.36
Building	2002	630	23	3.65	8	1.27
	2000	899	40	4.45	36	4.00
	1998	598	20	3.34	15	2.51
	1996	270	7	2.59	7	2.59
	1994	390	18	4.62	13	3.33
	1992	600	16	2.67	9	1.50
Variety	2002	1383	30	2.17	30	2.17
	2000	899	10	1.11	34	3.78
	1998	752	14	1.86	23	3.06
	1996	930	21	2.26	14	1.51
	1994	870	19	2.18	16	1.84
	1992	958	16	1.67	18	1.88
Drug	2002	2041	45	2.20	22	1.08
	2000	2339	31	1.33	48	2.05
	1998	2972	82	2.76	56	1.88
	1996	1620	35	2.16	20	1.23
	1994	2220	43	1.94	27	1.22
	1992	1591	48	3.02	30	1.89
Misc	2002	5190	107	2.06	103	1.98
	2000	3684	90	2.44	126	3.42
	1998	4112	78	1.90	131	3.19
	1996	1380	40	2.90	31	2.25
	1994	1080	16	1.48	11	1.02
	1992	329	13	3.95	6	1.82
Nonfoods Total	2002	10713	246	2.30	185	1.73
	2000	9077	195	2.15	283	3.12
	1998	10028	223	2.22	250	2.49
	1996	5190	125	2.41	82	1.58
	1994	5790	133	2.30	86	1.49
	1992	4258	126	2.96	97	2.28
Grand Total	2002	14763	352	2.38	215	1.46
	2000	14684	294	2.00	342	2.33
	1998	14983	327	2.18	307	2.05
	1996	9006	202	2.24	131	1.45
	1994	9000	177	1.97	115	1.28
	1992	8999	226	2.51	146	1.62

TABLE 2

Type	Year	Sales	Amt Over	% Over
Food	2002	\$16,531.03	81.35	0.49
	2000	\$18,844.18	35.72	0.19
	1998	\$15,448.54	11.54	0.07
	1996	\$10,880.46	32.07	0.29
	1994	\$8,953.68	6.40	0.07
	1992	\$12,329.00	39.12	0.32
Auto	2002	\$11,927.08	118.48	0.99
	2000	\$9,660.29	-54.36	-0.56
	1998	\$12,941.15	4.77	0.04
	1996	\$7,096.02	11.93	0.17
	1994	\$7,881.58	39.92	0.51
	1992	\$5,559.46	10.38	0.19
Building	2002	\$7,943.98	24.61	0.31
	2000	\$10,637.71	-22.98	-0.22
	1998	\$9,351.42	4.43	0.05
	1996	\$2,867.79	-0.06	0.00
	1994	\$2,596.98	16.24	0.63
	1992	\$7,610.61	1.84	0.02
Variety	2002	\$13,433.31	38.12	0.28
	2000	\$11,524.10	-35.67	-0.31
	1998	\$6,899.02	-42.97	-0.62
	1996	\$7,643.72	5.26	0.07
	1994	\$6,821.83	-20.89	-0.31
	1992	\$7,215.10	-20.07	-0.28
Drug	2002	\$12,440.30	48.94	0.39
	2000	\$11,743.70	-11.19	-0.10
	1998	\$19,293.71	-32.85	-0.17
	1996	\$7,190.79	34.49	0.48
	1994	\$9,620.43	16.68	0.17
	1992	\$7,179.08	43.86	0.61
Misc	2002	\$79,952.99	-273.21	-0.34
	2000	\$56,218.33	-632.15	-1.12
	1998	\$76,730.84	-188.90	-0.25
	1996	\$21,492.79	44.55	0.21
	1994	\$22,733.55	23.64	0.10
	1992	\$3,645.65	6.98	0.19
Total for NonFood	2002	\$125,697.66	-43.06	-0.03
	2000	\$99,784.13	-756.35	-0.76
	1998	\$125,216.14	-255.60	-0.20
	1996	\$46,291.11	96.17	0.21
	1994	\$49,654.55	75.59	0.15
	1992	\$31,209.90	42.99	0.14
Grand Total	2002	\$142,228.69	38.29	0.03
	2000	\$118,628.31	-720.63	-0.61
	1998	\$140,664.68	-244.07	-0.17
	1996	\$57,171.57	128.24	0.22
	1994	\$58,608.23	81.99	0.14
	1992	\$43,538.90	82.11	0.19

TABLE 3

Type	Year	Locations	No over-charges	%	Level 1 *	%	Level 2 **	%	Level 3 ***	%
Food	2002	136	73	53.68	45	33.09	11	8.09	7	5.15
	2000	187	119	63.60	55	29.40	9	4.80	4	2.20
	1998	165	104	63.00	50	30.30	8	4.80	3	1.80
	1996	127	81	63.80	35	27.60	5	3.90	6	4.70
	1994	107	70	65.40	35	32.70	2	1.90	0	0.00
	1992	158	99	62.70	48	30.40	7	4.40	4	2.50
Auto	2002	49	29	59.18	15	30.61	3	6.12	2	4.08
	2000	42	26	61.90	13	31.00	3	7.10	0	0.00
	1998	53	34	64.20	16	30.20	3	5.70	0	0.00
	1996	33	17	51.50	14	42.40	2	6.10	0	0.00
	1994	41	18	43.90	14	34.10	7	17.10	2	4.90
	1992	26	9	34.60	12	46.20	3	11.50	2	7.70
Building	2002	21	10	47.62	6	28.57	4	19.05	1	4.76
	2000	30	14	46.70	10	33.30	3	10.00	3	10.00
	1998	20	10	50.00	8	40.00	1	5.00	1	5.00
	1996	9	6	66.70	2	22.20	0	0.00	1	11.10
	1994	13	3	23.10	7	53.80	2	15.40	1	7.70
	1992	20	10	50.00	9	45.00	1	5.00	0	0.00
Variety	2002	47	32	68.09	8	17.02	5	10.64	2	4.26
	2000	30	21	70.00	8	26.70	1	3.30	0	0.00
	1998	25	13	52.00	12	48.00	0	0.00	0	0.00
	1996	31	20	64.50	7	22.60	2	6.50	2	6.50
	1994	29	20	69.00	5	17.20	3	10.30	1	3.40
	1992	32	19	59.40	12	37.50	1	3.10	0	0.00
Drug	2002	68	38	55.88	22	32.35	5	7.35	3	4.41
	2000	78	54	69.20	16	20.50	5	6.40	3	3.90
	1998	99	50	50.50	37	37.40	4	4.00	8	8.10
	1996	54	34	63.00	14	25.90	3	5.60	3	5.60
	1994	74	43	58.10	27	36.50	2	2.70	2	2.70
	1992	53	23	43.40	22	41.50	5	9.40	3	5.70
Misc	2002	173	108	62.43	49	28.32	12	6.94	4	2.31
	2000	123	73	59.30	39	31.70	6	4.90	5	4.10
	1998	137	91	66.40	37	27.00	4	2.90	5	3.60
	1996	46	27	58.70	11	23.90	4	8.70	4	8.70
	1994	36	25	69.40	7	19.40	2	5.60	2	5.60
	1992	11	5	45.50	4	36.40	2	18.20	0	0.00
NonFood Total	2002	358	217	60.61	100	27.93	29	8.10	12	3.35
	2000	303	188	62.10	86	28.40	18	5.90	11	3.60
	1998	334	198	59.30	110	32.90	12	3.60	14	4.20
	1996	173	104	60.10	48	27.70	11	6.40	10	5.80
	1994	193	109	56.50	60	31.10	16	8.30	8	4.10
	1992	142	66	46.50	59	41.50	12	8.50	5	3.50
Total	2002	494	290	58.70	145	29.35	40	8.10	19	3.85
	2000	490	307	62.60	141	28.80	27	5.50	15	3.10
	1998	499	302	60.50	160	32.10	20	4.00	17	3.40
	1996	300	185	61.70	83	27.70	16	5.30	16	5.30
	1994	300	179	59.70	95	31.70	18	6.00	8	2.70
	1992	300	165	55.00	107	35.70	19	6.30	9	3.00

**STATEWIDE SCANNING SURVEY
COMPARED TO STATE ENFORCEMENT PENALTY GUIDELINES**

*** LEVEL ONE:** One or two overcharges (less than 10% of items inspected) and the total algebraic overcharge (total \$ value of overcharges minus total \$ value of undercharges) is less than 2% of the correct total price. This is considered to be a minor violation, usually resulting in a Notice of Violation being issued and the establishment remaining on its current inspection frequency.

**** LEVEL TWO:** Three overcharges (10% up to but not including 12% of items inspected), or the total algebraic overcharge is 2% or more but less than 4% of the correct total price. This is considered to be a significant violation, usually resulting in a Notice of Violation being issued and the establishment being subject to more frequent inspections.

If the establishment is already on an increased frequency as a result of previous violations, additional enforcement action such as being issued a Notice to Appear (court citation) is appropriate.

***** LEVEL THREE:** Four or more overcharges (12% or more of items inspected), or the total algebraic overcharge is 4% or more of the correct total price, or if the violation is willful or grossly negligent. This is considered to be a serious violation, usually resulting in enforcement action such as being issued a Notice to Appear (court citation) and being subject to more frequent inspections.